

Hospital Confinement Indemnity Insurance

Is the Health Insurance You Provide Your Employees Enough?

Health insurance costs are rising. Your premiums are rising. And unfortunately, when it comes to their health insurance, you now must offer your employees options that usually provide less value for the money.

As a result your employees must cope with higher co-payments, higher deductibles and more provider restrictions.

The gaps are widening.

- The United States spent nearly \$2 trillion on health care in 2005. Spread over the population, this amounts to about \$6,697 per person.

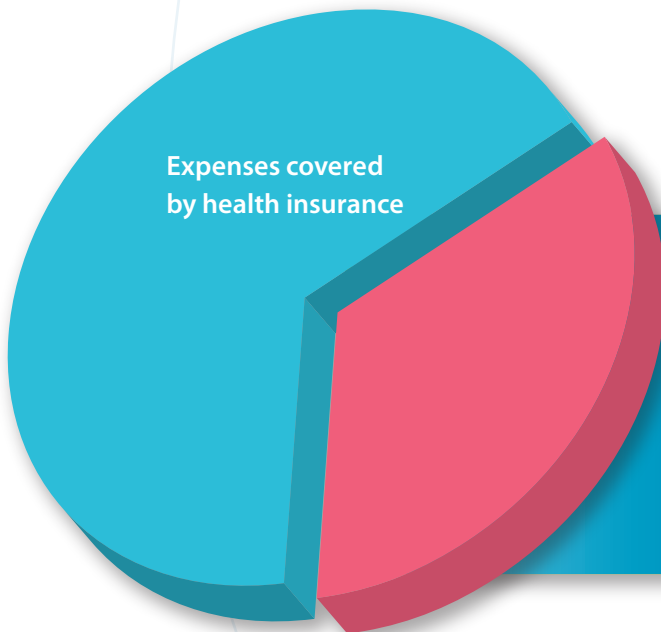
Health Care Costs, Kaiser Family Foundation, 2007

- Based on a typical 2006 PPO plan design, the typical American family of four would pay \$2,210 out of their own pocket through member cost-sharing.

Medical Index 2006, June 30, 2006

While hospital stays are less frequent, medical treatment is increasingly trending toward outpatient services such as:

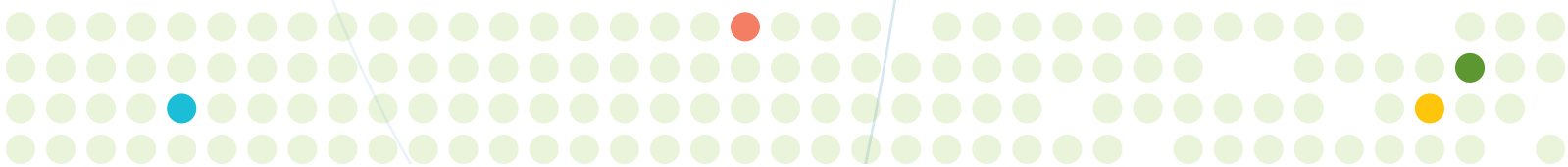
- Diagnostic testing
- Outpatient surgeries



Our products offer choices to help fill in the gaps

- Co-pay
- Deductibles
- Over-the-counter medications/supplies
- Non-medical expenses

For illustrative purposes only.



Employers need an affordable solution to protect employees, stay competitive in attracting and retaining quality workers, and remain profitable. Employees need more benefits choices than ever before.

Colonial Life's Hospital Confinement Indemnity products can provide your employees the benefits they need without hurting your organization's bottom line. And if you have or are considering a Health Savings Account (HSA) Colonial Life has plans that are HSA-compliant which can help you and your employees stretch benefit dollars, at no direct cost to you.

Features of Colonial Life's Supplemental Health Products

- Hospitalization benefits
- Most products include a health screening benefit to encourage early detection
- Spouse and/or family coverage options
- Choice of benefit levels to fit the employee's need and budget
- Most benefits are paid directly to insured, unless specified otherwise, to use as they see fit
- Many benefits paid regardless of any other insurance insured may have with other insurance companies
- Some products are HSA-compliant
- Available through convenient payroll deduction with Colonial Life's hassle-free administration
- May be pre-taxed through Section 125 to provide tax savings and make coverage more affordable

The Health Insurance Protection Gap

Employees are less prepared than ever for unexpected expenses from illnesses.

- **The average length of hospital confinement for adults under age 65 is almost 5 days.**

Advance Data from Vital and Health Statistics, National Center for Health Statistics, "2004 National Hospital Discharge Survey," May 4, 2006

You can't stop medical costs from rising. You can't prevent gaps in coverage from occurring. You can help employees manage those costs and cover those gaps by providing them with additional protection to help them in the areas where they need it the most.

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Colonial Life products are underwritten by Colonial Life & Accident Insurance Company, for which Colonial Life is the marketing brand.

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